

***United States Court of Appeals  
for the Second Circuit***



**PETITION FOR  
REHEARING  
EN BANC**





75-3068

UNITED STATES COURT OF APPEALS  
FOR THE SECOND CIRCUIT

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LEE PHARMACEUTICALS,

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Petitioner,

:

Index No. 75 Civ. 3068

-against-

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HON. JACOB MISHLER, CHIEF JUDGE,  
UNITED STATES DISTRICT COURT FOR  
THE EASTERN DISTRICT OF NEW YORK  
et al.,

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Respondents.

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RESPONDENTS' MOTION FOR  
RECONSIDERATION EN BANC OF  
PETITION FOR WRIT OF MANDAMUS

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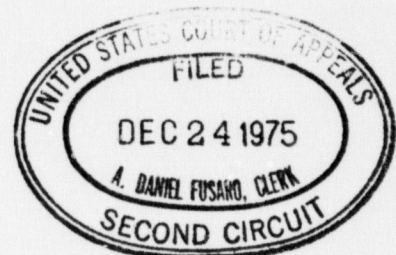
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UNITED STATES COURT OF APPEALS  
FOR THE SECOND CIRCUIT

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LEE PHARMACEUTICALS,

Petitioner,

-against-

HON. JACOB MISHLER, CHIEF JUDGE,  
UNITED STATES DISTRICT COURT FOR  
THE EASTERN DISTRICT OF NEW YORK,  
et al.,

Respondents.

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Civil Action No. 75-3068

PETITION FOR RECONSIDERATION

Preliminary Statement

This petition is respectfully submitted pursuant to Rules 35 and 40 in support of the suggestion by Ceramco, Inc., the plaintiff herein, for reconsideration or for a determination by this Court en banc.

The Facts

The Court, in granting the writ of mandamus in this action, has, albeit unwittingly, struck a devastating blow against



the orderly administration of justice at the trial court level. This is a simple case of trademark infringement. It could be tried virtually in its entirety upon an agreed statement of facts. Indeed, the following two ultimate facts are virtually undisputed:

1. Plaintiff Ceramco and its predecessors in interest have been selling a dental restorative product under the name "GENIE" since at least 1968.

2. In late 1973 the defendant, Lee Pharmaceuticals, commenced marketing a dental adhesive product under the identical name "GENIE." Lee advertises and sells its product to those dentists who devote their practice in whole or in part to orthodontics.

The foregoing facts state the case. As for the legal issue, that too is simple. The trial court (and, undoubtedly this court, if the case can ever get to trial and the plaintiff prevails) will have to decide whether a dental restorative product is entitled to trademark protection in the dental field in general or merely to that portion of the dental field dealing with restorative work. We can confidently represent that plaintiff Ceramco's direct evidence will take less than two days to present.

Faced with this simple case, the defendant Lee, through its chief trial counsel, Ms. Mary Helen Sears, has engaged in a course of oppressive, harassing and dilatory tactics that in our experience is unparalleled. It seems tailor-made for the comment made in The Journal of the Section of Litigation, American Bar Association, p. 48 (Fall 1975):

"We are also mindful that some trial lawyers are abusing discovery and other litigation procedures and are thereby threatening the existence of the finest system for resolving conflict developed by men. We shall attempt to spotlight those practices and perhaps suggest countermeasures. Trial lawyers and judges simply must give attention to the important area of litigation economics before they permit a few selfish, shortsighted and unethical practitioners to make litigation so expensive that no one can afford it."

In granting the writ, this Court has inadvertently given fresh and renewed impetus to the unprecedented campaign of harassment that has been indulged in by defendant. Indeed, given the Court's decision on this writ, it is more than likely that prior to trial another writ of some sort or attempt at an interlocutory appeal will be resorted to by the defendant Lee.

In order for the Court properly to assess the monumental disruption its decision will have upon the administration of justice, a brief resume of the truly astounding history of this litigation is in order.

This action was commenced in April 1974. The plaintiff moved for a preliminary injunction. That motion, owing to the



ingenuity and tireless efforts of defendant's counsel, has never to this day been adjudicated. Lee moved for an evidentiary hearing on the motion for preliminary injunction and in the Court consolidated the hearing for preliminary injunction with the trial on the merits. No request for jury determination was made by Lee and none was contemplated or even suggested by the Court, or requested by either party.

Turning to the amazing chronology of this action, after it was filed, the initial dilatory tactic of the defendant Lee was to file a motion to dismiss for lack of jurisdiction over the person and because jurisdiction had been attained by alleged unethical conduct of the attorneys for plaintiff. Judge Costantino, the district judge then assigned to this action, summarily denied these motions. Lee then brought on a motion to disqualify the attorneys for plaintiff Ceramco because of their alleged unethical conduct. Judge Costantino likewise denied this motion. Lee, however, appealed from both its motion to dismiss and denial of its motion to disqualify and unsuccessfully sought a stay in this Court of proceedings in the district court pending prosecution of the appeal.

This application for a stay was summarily denied. The patently frivolous appeal from the denial of the motion

to dismiss was abandoned by Lee and a denial of the motion to disqualify was affirmed by this Court (Ceramco v. Lee 510 F.2d 268).

Commencing in May of 1974 and continuing throughout the Summer of 1974 Lee embarked upon a campaign of discovery, most of which had to do with matters completely irrelevant to the action. Although this discovery was not only irrelevant but of a magnitude usually reserved for antitrust cases of the most complex sort, plaintiff Ceramco, still foolishly hopeful the case would come to trial shortly, cooperated to the limits of its capacity to do so. The following is a list of the discovery which Lee demanded and was given:

1. 68 Interrogatories;
2. 3 Requests for Production;
3. Depositions:
  - a) Harold Culver, 197 pages;
  - b) John J. Leland Teetes, 141 pages;
  - c) H. Gordon Pelton, 462 pages;
  - d) John H. Leatherman, 140 pages;
  - e) David R. Newstadt, 125 pages;
  - f) Roderick Mackenzie, 82 pages;
  - g) James R. Sleininger, 162 pages;
  - h) Warren Herbstman, 83 pages;
  - i) J. Taylor Woodward, 33 pages;
  - j) Murray G. Gamberg, 72 pages;
  - k) Charles L. Lebreder, 28 pages;
  - l) Charles Luther Bull, 66 pages;
  - m) Harold L. Warner, 58 pages;
  - n) Thomas W. Towell, Jr., 31 pages;
  - o) Michael J. Ryan, 71 pages;
  - p) Dr. Robert A. Fuller, 34 pages.



When Ceramco finally bucked at filling Lee's insatiable demands for discovery, Lee gleefully countered with motions to hold attorneys, as well as witnesses, in contempt of court and various other punitive sanctions under Rule 37. The following is a brief list of these motions:

- (i) A motion pursuant to Rule 37 with respect to compliance with Lee's two requests for production filed on June 25, 1974;
- (ii) A motion to compel further answers to Lee Interrogatories 1 - 14 filed on June 25, 1974;
- (iii) A motion to compel further answers to Lee Interrogatories 15 - 55 filed on June 25, 1974;
- (iv) A motion for sanctions pursuant to Rule 37(a) based on unanswered questions at deposition filed on July 26, 1974;
- (v) A motion for sanctions based on alleged failure to respond to Lee Interrogatory 56 filed on September 13, 1974;
- (vi) Lee's motion pursuant to Rules 37 and 45 seeking to hold certain witnesses and Ceramco's counsel in contempt, filed on July 24, 1974;
- (vii) Lee's motion to have this Court reconsider its ruling denying Lee the opportunity to depose attorneys for Ceramco, filed on July 5, 1974;
- (viii) Lee's motion to strike certain affidavits filed by plaintiff's counsel, David F. Dobbins, filed on September 4, 1974;
- (ix) Lee's motion pursuant to Rules 13 and 21 to add Johnson & Johnson as a party defendant and, pursuant to Rule 15, permitting Lee to amend its counterclaim, filed on July 5, 1974; and

(x) Lee's motion to add Johnson & Johnson as a party plaintiff or to dismiss the complaint, filed on July 22, 1974.

Needless to say, the Summer of 1974 came and went without the case being tried. During the Fall of 1974 the only trial attorney representing Ceramco who had any knowledge of the now myriad complexities of this case, David F. Dobbins, became otherwise engaged, and indeed could not even argue the appeal on the motion to disqualify. After this appeal was argued, Judge Costantino indicated that he did not wish to proceed with the case until this Court definitively disposed of the motion to disqualify. This Court, however, did not do so until late March of 1975.

At this point Lee Pharmaceuticals retained local Brooklyn trial counsel, Anthony J. DeMarco, Esq. When the various discovery motions were brought on before Judge Costantino at the first pretrial conference in April following this Court's affirmance of the denial of the motion to disqualify, Mr. DeMarco stated on the record that he was a good friend of Judge Costantino and asked if the attorneys for the plaintiff had any objection to his participating as counsel in the action. We indicated we did not. Shortly thereafter, Judge Costantino became embroiled in a controversy that ultimately came up to this Court, and because Mr. DeMarco had served as his adviser in this controversy, he indicated at the second pretrial conference held in May 1975 that he would recuse himself from the case and proceeded to do so.



Thereupon, the case was reassigned to Judge Mishler. During the Summer of this year Judge Mishler became involved in an extensive series of trials culminating in a ten-week criminal trial which was not concluded until mid-October. Immediately following the conclusion of this lengthy trial Judge Mishler ruled upon the outstanding discovery motions and began to take steps finally to get this basically simple case to trial and dispose of it one way or the other.

Faced with the threat of imminent trial, counsel for Lee then proceeded to engage in another series of extensive motions and vituperative accusations of professional misconduct both against the trial judge as well as opposing counsel. An example of the villification to which the attorneys for Ceramco as well as the trial court have been subjected is attached hereto as Exhibit A. When these repeated attempts at intimidating the trial judge and harassing discovery proved unsuccessful, counsel for Lee hit upon the ploy of seeking mandamus in this Court. Significantly, the original petition for mandamus sought the following relief:

- a) An order directing Judge Mishler (i) to vacate his order striking defendant's demand for a jury trial, (ii) to first try all issues which must be tried to the jury and (iii) to take such steps as may be necessary to preserve defendant's right to a jury trial by precluding fragmentation of the issues through severance pursuant to Rule 42, amendment of the complaint unilaterally or by motion pursuant to Rule 15(a) or in any other manner;

- b) An order directing the district court now to read reasoned consideration to all discovery motions, previously denied, pending or subsequently filed and to vacate all prior denials of defendant's discovery motions;
- c) An order requiring Judge Mishler to insure compliance by all counsel, including specifically plaintiff's counsel David F. Dobbins, with the Canons of Ethics; and
- d) Transfer under 28 U.S.C. § 1404(a) to the Central District of California where the action might have been brought on the ground, inter alia, that Lee could not get a fair trial in the Eastern District.

We believe that the Court in granting the limited relief sought by the petition has effectively, and we submit without legal authority, converted an action for trademark infringement seeking temporary and permanent injunctive relief into an entirely new type of action at law. Its ostensible basis for doing so, is that the counterclaim, stripped of its antitrust charges and charges of malicious prosecution of the present action, "mirrors" the complaint, also contains a request for money damages.

Ceramco is willing to have its trademark infringement case tried to a jury but it is perplexed about what issues the jury would decide. Whether or not to enter a preliminary injunction? Infringement? There is no basis, we submit, for converting a purely equitable action into one at law-- the conversion to be exercised at the option of the defendant should it choose to assert a counterclaim seeking damages in a purely equitable action.



### The Pleadings

There is little dispute with respect to the state of the pleadings. Ceramco's complaint seeks injunctive relief for trademark infringement. Any prior claims for damages by Ceramco have been withdrawn. Lee's counterclaim, stripped of a potpourri of different contentions, including a combined malicious prosecution-antitrust claim based upon Ceramco's bringing the present action, likewise requests injunctive relief and, incidentally, damages flowing from the alleged unfair competition. Indeed, this Court in its opinion characterized Lee's supposed counterclaim as follows:

"By way of counterclaim, Lee seeks a permanent injunction forbidding the plaintiff from 'indirectly infringing Lee's trademark GENIE,' and such damages as may be determined at trial to have flowed from its unfair competition."

### Legal Argument

The basis of Ceramco's petition for rehearing and its suggestion that the December 10, 1975 order of this Court be reconsidered en banc arises from the misinterpretation Ceramco believes the panel gave to the decision in Dairy Queen v. Wood, 369 U.S. 469 (1962). Although the panel agreed that Dairy Queen was distinguishable from the facts of this action, they held, nonetheless, that trial by jury was appropriate for the legal issues presented. Specifically, the panel wrenched out of context a dictum of Justice Black's majority opinion in Dairy Queen and then seized upon it to grant the extraordinary and disruptive

relief sought by Lee. The entire paragraph of the opinion, with the portion relied upon here, underscored, is as follows:

"The most natural construction of the respondents' claim for a money judgment would seem to be that it is a claim that they are entitled to recover whatever was owed them under the contract as of the date of its purported termination plus damages for infringement of their trademark since that date. Alternatively, the complaint could be construed to set forth a full claim based upon both of these theories-that is, a claim that the respondents were entitled to recover both the debt due under the contract and damages for trademark infringement for the entire period of the alleged breach including that before the termination of the contract. Or it might possibly be construed to set forth a claim for recovery based completely on either one of these two theories-that is, a claim based solely upon the contract for the entire period both before and after the attempted termination on the theory that the termination, having been ignored, was of no consequence, or a claim based solely upon the charge of infringement on the theory that the contract, having been breached, could not be used as a defense to an infringement action even for the period prior to its termination. We find it unnecessary to resolve this ambiguity in the respondents' complaint because we think it plain that their claim for a money judgment is a claim wholly legal in its nature however the complaint is construed. As an action on a debt allegedly due under a contract, it would be difficult to conceive of an action of a more traditionally legal character. And as an action for damages based upon a charge of trademark infringement, it would be no less subject to cognizance by a court of law." (369 U.S. at 476-7) (footnotes omitted)

The underscored portion of this paragraph cannot support the interpretation given it based upon the identity of traditionally equitable issues raised in the complaint and "mirrored" in the counterclaim herein. In brief, the Court in Dairy Queen was presented with an action for breach of contract coupled with a claim of trademark infringement. The contract in issue was



a license agreement for the use of the trademark. The Court was uncertain whether or not the complaint was one for breach of contract (clearly a legal cause of action) or one for trademark infringement arising out of the breach of the same contract. Accordingly, when Justice Black states that " . . . as an action for damages based upon a charge of trademark infringement, it would be no less subject to cognizance by a court of law," he was saying nothing more than that the trademark infringement issues, as they arose out of the breach of contract by defendant, were properly tried by a jury.

The importance of the breach of contract claim in Dairy Queen cannot be overemphasized. Nowhere in the Supreme Court's opinion did it even intimate that a claim for equitable relief from trademark infringement, absent an underlying claim for damages from breach of contract, was triable to a jury. Prior to the decision in the instant case, other federal courts have recognized that assertion of a "mirror" counterclaim in a trademark infringement action for equitable relief does not entitle a defendant to a jury trial of the infringement issues. See, e.g., Sheila's Shine Products, Inc. v. Sheila Shine, Inc., 486 F.2d 114 (5th Cir. 1973); Coca-Cola v. Cahill, 330 F.Supp. 354 (W.D. Okla. 1961), aff'd 480 F.2d 153 (10th Cir. 1973); Coca-Cola Company v. Wright, 55 F.R.D. 11 (W.D. Tenn. 1971); Railex Corporation v. Joseph Guss & Sons, Inc., 40 F.R.D. 119 (D.D.C. 1966). Justice Harlan's concurring opinion in Dairy Queen likewise lends no

support to the position taken by the panel. The Court in Holiday Inns of America v. Lussi, 42 F.R.D. 27 (N.D.N.Y. 1967) also misapprehended the meaning of the remarks of Justices Black and Harlan and the panel's apparent reliance on that opinion is misplaced.

The panel also placed paramount importance on the "federal policy of favoring jury decision of disputed factual questions" citing Byrd v. Blue Ridge Cooperative, 356 U.S. 525, 538 (1958). This decision did not abolish equitable actions. As stated in Klein v. Shell Oil Company, 386 F.2d 659, 663 (8th Cir. 1967), the Supreme Court, in Byrd, merely

"preserved a litigant's right to a trial by jury in cases in which a legal issue traditionally triable by a jury under federal law has been classified as triable before the court by virtue of a peculiarity in state law."

More significantly, Dairy Queen did not create new rights to a jury trial. As held in Klein (386 F.2d at 662-663):

"In support of their argument plaintiffs revert to several Supreme Court decisions which they contend articulate a strong federal policy in favor of assigning the decision of disputed fact questions to the jury. See, e.g., Simler v. Conner, supra; Dairy Queen, Inc. v. Wood, 369 U.S. 469, 82 S.Ct. 894, 8 L.Ed. 2d 44 (1962); Beacon Theatres, Inc. v. Westover, 359 U.S. 500, 79 S.Ct. 948, 3 L.Ed.2d 988 (1959); Byrd v. Blue Ridge Rural Electric Cooperative, Inc. 356 U.S. 525, 78 S.Ct. 893, 2L.Ed.2d 953 (1958). We fully subscribe to the holdings of these cases, but consider their principles inapropos here. Contrary to the thrust of plaintiffs' argument, none of these cases, or others pertinent to the jury trial issue, insures the right to a jury trial where, as here, purely equitable, as distinguished from legal, or a combination of legal and equitable relief is sought.



"We share the Supreme Court's concern for the preservation of the right to a jury trial in appropriate cases. The Supreme Court, however, has not abrogated the distinction between legal and equitable issues insofar as it governs the requirement of a jury trial."

The cases cited on page 7 of Respondents' Answer to the Petitioner For a Writ of Mandamus still stand for the proposition that a claim such as Lee Pharmaceuticals is cognizable in equity. Dairy Queen holds simply that the assertion of an additional and independent legal claim will give rise to a jury. There is no such claim here, and the panel in sustaining the petition has opened up a veritable Pandora's Box--one which will plague the entire court for years to come.

There is no justification for importing more into the Dairy Queen decision than is constitutionally mandated by that case. The Petitioner's claim, Dairy Queen notwithstanding, is an ordinary equitable claim to which is appended a pro forma, perfunctory claim for damages. While Ceramco was candid about its inability to develop its claim for money damages, Lee continues to maintain that it has suffered damages despite the fact that proof of actual damage in such cases is difficult at best.

No constitutionally recognized right or advantage is served by treating Lee's claim as a legal claim. While jury determination of some cases may be warranted as a matter of policy, there are no special circumstances in the instant case

which warrant invocation of the policy articulated in Blue Ridge.

Conclusion

The attorneys for Ceramco do not normally petition this Court for reconsideration. In the instant case, however, we are convinced that the error of the panel not only works a manifest injustice here, but will serve in virtual perpetuity as a powerful ploy for those few who seek to win by harassment. Stated bluntly, if allowed to stand, the decision here will redound to the severe detriment of both the bench and bar and ultimately to the public to whom they are charged with dispensing justice efficiently and wisely.

Respectfully submitted,

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October 13, 1975

The Honorable Jacob Mishler  
Judge  
United States District Court for the  
Eastern District of New York  
United States Courthouse  
Brooklyn, New York 11201

Re: C.A. 74 C 567

Dear Judge Mishler:

This letter is being written from California where I am engaged in representing a client in a deposition to be taken pursuant to stipulation and order entered by the U.S. District Court for the Central District of California. The letter is occasioned by my reading of the transcript of the hearing held before you on Wednesday, October 8, 1975 over my objection at a time when I had notified the Court that I could not be present. It will be telephoned to my office in Washington, D.C. for typing and hand-delivery to you on Tuesday, October 14, 1975.

The purpose of this letter is to request that you defer entering any order based on the October 8, 1975 transcript until I can file a motion for re-argument of the matters decided that day. 1/

I shall return to my office in Washington on the morning of Sunday, October 19--or, if my opponents here elect, as they have a right to do, to carry my client's deposition through Saturday, October 18, then I shall

1/ I have not yet seen the transcript of the October 7, 1975 hearing, also held in my absence over my objection at a time when I had likewise notified the Court I could not be present. That transcript--requested on an expedited basis at the same time that the October 8 transcript was requested and promised for concurrent delivery--was inexplicably not so delivered.



be in my office on the morning of Monday, October 20. Either way I must first devote time to preparing a supplemental reply brief due in printed form in the U.S. Court of Appeals for the Fifth Circuit no later than October 27 in a complex multi-district case where multiple appeals are set for two days' argument time on November 3 and 4. Since the brief will need to be in the printer's hands on October 24 at the latest, I will prepare my re-argument motion and have it in your hands by Monday, October 25, 1975. I hereby request that you also afford until October 27, 1975 for the filing of the legal memorandum relating to defendant's right to a jury trial which it timely demanded, 2/ -- and as to which plaintiff has neither moved to strike nor sought by motion to amend its complaint as a preliminary to a formal motion to strike. The necessary result, in my professional judgment, is that the procedure now invoked is severely prejudicial to my client's interest and may even indicate, though I certainly hope it does not, that the Court is approaching this case with a pre-conceived bias against my client.

My motion for re-argument will be based upon the fact that I do have better arguments than were presented on October 8 to support the various motions denied on that date, and I have noted Your Honor's observation to Mr. De Marco that "you can move to reargue. If you have any better argument than you made today, make it." (Oct. 8 Transcript, p. 23). My better arguments are largely, if not entirely, of record in the various papers which I meticulously and carefully prepared and filed based upon the discovery and the record in this case, and which the court has stated that it has not read and will not read--to my client's obviously gross prejudice.

That prejudice is, moreover, aggravated, in my best professional judgment, by at least the following factors of which Your Honor is probably at least partially unaware since you have not read the papers I filed. They include:

1. The complaint in this case is not a simple federal court pleading, but is sworn to by plaintiff's president, Mr. H. Gordon Pelton. At his deposition

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2/ This memorandum was the subject of a request for three days briefing time made by Mr. De Marco at page 92, ll. 18-19 of the October 8, 1975, transcript and assessing my own unavoidable professional commitments, I am of the view that three days are insufficient.

which I took, Mr. Pelton, a candid witness, repudiated many of the statements in the sworn complaint and the accompanying affidavit in support of a preliminary injunction motion to which he also swore. He testified that these sworn documents were prepared by counsel, that he signed them on counsel's advice, and that neither he nor anyone else at Ceramco made any decision to institute this suit, but did so on order from Johnson & Johnson based on counsel's advice to Johnson & Johnson. 3/

2. Commencing with the sworn complaint and the preliminary injunction motion they prepared--and even before that with the pre-complaint conduct which two of three Second Circuit judges affirmatively found to be unethical and unscrupulous, albeit not of a character to compel counsel's disqualification in the case--plaintiff's counsel, Rogers & Wells and especially Mr. Dobbins, who engaged in a strategy of trickery, deceit and outright lying which has forced me to file voluminous painstakingly documented papers in an effort to set the record straight and keep the Court from being misled. The same strategy was again pursued by Mr. Dobbins at the October 8 hearing where Your Honor was falsely informed, inter alia, that

(a) Ceramco uses "the same mark. Genie is the same mark." (Oct. 8 Transcript, p. 30).

Ceramco does not use "Genie" on any product, nor did its alleged predecessors Culver and Wilkinson. These parties' trade names are and have been only "Gold Genie" and "Ceramic Metal Genie". Lee Pharmaceuticals, my client, uses "Genie" only. Johnson & Johnson which has never used either is trying to get the right, by fair means or foul, and in part through Ceramco in this suit, to use "Genie" alone for itself throughout the world and thereby take advantage of good will acquired by my client at considerable expense.

3/ There is no evidence anywhere supporting Mr. Dobbins' glib statements at page 32, ll. 13-17 of the transcript of October 8 to the effect that Ceramco sought and obtained permission to institute the suit as a company policy matter.



(b) Ceramco had not, up through mid-July 1974 when deposition discovery of it was recessed pending resolution of my various motions, ever advertized Gold Genie or Ceramic Metal Genie in the Journal of the American Dental Association as Mr. Dobbins represented at pp. 29-30 and 71-73 of the October 8, 1975 transcript. The only such journal advertizing revealed to me in depositions or in document production was in an obscure periodical directed solely to dental laboratories, not dentists.

(c) Your Honor was totally misled by the assertion that "Gold Genie" and "Ceramic Metal Genie" "perform therapeutic work in the mouth" (Oct. 8 Transcript, p. 29) and are "used strictly by dentists" (Oct. 8 Transcript, p. 28). Gold Genie and Ceramic Metal Genie are used solely in laboratories to patch defectively cast gold crowns and bridges. They must be fired at temperatures above 1800°F., they are colored different colors to match ceramic gold colors so that dentists--some of whom might object to putting patched crowns and bridges in their patients mouth--won't notice the patches. I stand ready to show you Mr. Pelton's testimony to that effect. The Lee Pharmaceutical product Genie is sold only for use in a patient's mouth for attaching orthodontic brackets to living anterior teeth in connection with straightening and aligning those teeth. The products are dissimilar and not only do not compete, but could not. 4/

(d) Mr. Dobbins lied to you in stating that I don't "want any further answers, . . . but want sanctions" (Oct. 8 Transcript, p. 81) on various

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4/ Lee long ago offered to settle this case on the basis that Lee will not venture beyond the specialized orthodontic bracket adhesive use of its Genie in products sold under that name and Ceramco will confine "Gold Genie" and "Ceramic Metal Genie" to patching compositions of the same type as those concurrently sold. We thought it a fair offer since a product named "Genie" only has been sold for cleaning calcium scale and rust off instruments used by oral surgeons and other surgical practitioners since a date prior to any date claimed by any party to this suit, for any name in issue. The user of that "Genie" name has settled with Lee on a basis similar to that suggested. Ceramco has nevertheless refused Lee's offer and is putting Lee to the expense of defending this suit instead.

motions. The preponderant sanctions that I sought were preclusion orders, which, by limiting proof at trial are the full equivalent of the answers to which my client is and was entitled and which were withheld by underhanded tactics and/or overt stonewalling on the part of Ceramco counsel. In one instance involving answers refused at depositions I sought preclusion orders because, based on past performance by Mr. Dobbins, including his deliberately false affidavits on motions before this Court which I am seeking to have stricken, I can have no hope of obtaining candid answers to the refused questions from the witnesses which he has had more than a year to prepare. In all other cases I need complete answers--for reasons not raised at the October 8, 1975 hearing--or their equivalent in preclusion orders if my client is to get a fair trial. 5/

(e) Mr. Dobbins has not produced all Ceramco documents except the customer list as he has falsely represented to you on October 8, 1975. At least the following relevant documents are also withheld:

- (i) Ceramco's customer complaints;
- (ii) Certain documents relating to studies by Johnson & Johnson for the use of its dental products group, including Ceramco, of my client's accused product, its market performance and the like;
- (iii) Minutes of meetings of the Johnson & Johnson dental products group, the Ceramco Executive Committee and the Ceramco Board of Directors;
- (iv) Files maintained for Ceramco in the Johnson & Johnson legal department relating to "Genie", "Gold Genie" and "Ceramic Metal Genie" which have neither been produced nor listed on the privileged documents list;

5/ My preference for preclusion orders as originally expressed was in context of the circumstance that my client was then being railroaded into a precipitous trial without adequate discovery. After waiting a year and a half to get the motions decided, and to obtain access to documents and testimony still needed, my client remains in the same position because of unexplained judicial inaction that it neither sought nor encouraged, followed by Your Honor's own refusal to read the client's papers of record or hold a hearing at which I could be present.



October 13, 1975

(v) Certain papers given to Ceramco and Johnson & Johnson personnel by Culver and Wilkinson before the complaint was filed and hence not available for production to Lee at these companies' depositions have been insufficiently identified to make it clear whether or not they have been produced;

(vi) My papers of record identified additional unproduced documents, existence of which I learned about at depositions, that I cannot from this distance, unaided by those papers, independently recall.

3. Your Honor's acknowledged consultation (Oct. 8 Transcript. pp. 5, 7) about this case and the undisposed of motions with a judge who disqualified himself--as well as the reference of an important undecided motion to the same disqualified judge for disposition--is prejudicial per se to my client and serves to multiply the gross prejudice otherwise referred to herein.

The foregoing numbered points are illustrative, not exhaustive.

In closing, I have two points to make:

(a) I would welcome the opportunity to hear first-hand Your Honor's criticisms of my papers (Transcript, p. 66) and to be heard to answer them to demonstrate why the papers had to be filed in the proper representation of my client and why such papers seek facts that are needed in some form, if a fair trial is to be had.

(b) Lest this letter be erroneously construed as a tacit criticism of Mr. De Marco who did not attend depositions, has not read their transcripts, came into the case late, has not seen Ceramco's documents, does not ordinarily practice in this field of law, and has a busy trial schedule which has precluded him from learning by study what I know from living with the relevant events, I hasten to add that I have no such criticism to make. Had the Court read the papers and given the motions the reasoned consideration they deserved--or at least waited for hearing until I could also be present as requested--Mr. DeMarco would not have been placed in the difficult position he obviously occupied on October 8, 1975.

Respectfully,

*Henry Klee Sears*

MHS:kk

cc: Mr. DeMarco  
Mr. Dobbins ✓

IN THE UNITED STATES COURT OF APPEALS  
FOR THE SECOND CIRCUIT

Index No. 75-3068

LEE PHARMACEUTICALS,

Petitioner,  
~~XXXXXX~~

against

HONORABLE JACOB MISHLER, CHIEF JUDGE,  
UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF NEW YORK, et al.,  
Respondents.  
~~XXXXXX~~

AFFIDAVIT OF SERVICE  
BY MAIL

STATE OF NEW YORK, COUNTY OF NEW YORK

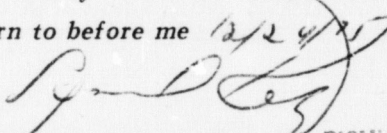
ss.:

The undersigned being duly sworn, deposes and says:

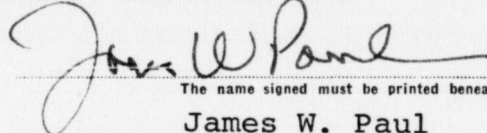
Deponent is not a party to the action, is over 18 years of age and resides at  
New York, New York ~~10019~~ 10028 500 E. 85<sup>th</sup> St.  
~~25 West 54th Street~~

That on December <sup>24</sup>, 19 75 deponent served the annexed Respondents' Motion for Rehearing of Petition for Writ of Mandamus on Iron & Sears and Anthony J. DeMarco attorney(s) for Petitioner Lee Pharmaceuticals in this action at 1801 K Street, N.W., Washington, D.C., and 26 Court Street, Brooklyn, N.Y. respectively. the address designated by said attorney(s) for that purpose by depositing a true copy of same enclosed in a postpaid properly addressed wrapper, in ~~XXXXXX~~ official depository under the exclusive care and custody of the United States Postal Service within the State of New York.

Sworn to before me



SIGMUND KATZ  
Attorney & Counsellor at Law  
No. 30-7177600  
Qualified in Nassau County  
Cert. filed with New York County Clerk  
Commission Expires March 30, 1976



The name signed must be printed beneath

James W. Paul



IN THE UNITED STATES COURT OF APPEALS  
FOR THE SECOND CIRCUIT

Index No. 75-3068

LEE PHARMACEUTICALS,

Petitioner,  
~~XXXXXX~~

against

HONORABLE JACOB MISHLER, CHIEF JUDGE,  
UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF NEW YORK, et al.,  
Respondent.  
~~XXXXXX~~

AFFIDAVIT OF SERVICE  
BY MAIL

STATE OF NEW YORK, COUNTY OF NEW YORK

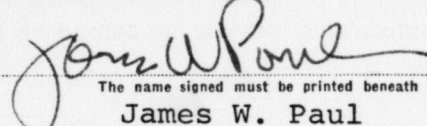
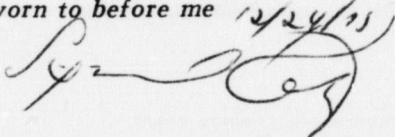
SS.:

The undersigned being duly sworn, deposes and says:

Deponent is not a party to the action, is over 18 years of age and resides at 500 E. 85<sup>th</sup> St.  
New York, New York 10019 ~~25 West 54th Street~~

That on December 24, 1975 deponent served the annexed Respondents' Motion for Rehearing of Petition for Writ of Mandamus on Honorable Jacob Mishler, Chief Judge, United States District Court for Eastern District ~~XXXXXX~~ Respondent in this action at 255 Cadman Plaza East, Brooklyn, N.Y. 11201 ~~XXXXXX~~ by depositing a true copy of same enclosed in a postpaid properly addressed wrapper, in ~~XXXXXX~~ official depository under the exclusive care and custody of the United States Postal Service within the State of New York.

Sworn to before me 12/24/75



The name signed must be printed beneath  
James W. Paul

SIGMUND KATZ  
Attorney & Counsellor at Law  
No. 30-7177600  
Qualified in Nassau County  
Cert. filed with New York County Clerk  
Commission Expires March 30, 1976